



Commission on Improving the Status of Children in Indiana

Recommendation to the Commission

Party Submitting Recommendation: Mark Fairchild, on behalf of the Child Health and Safety Task Force

Date of Submission: 6/9/2021

Type of Action Requested:

Legislation Administrative Rule or Policy Resolution of Support or Endorsement Professional/skills development

Other: _____

Which of the Commission’s Strategic Priorities does this Recommendation help advance (check all that apply):

Child Health and Safety Juvenile Justice and Cross-system Youth
 Mental Health and Substance Abuse Educational Outcomes

Summary of Recommendation:

The Child Health and Safety Task Force of the Commission, through a subcommittee on children’s health coverage, has studied the 90-day waiting period within the Children’s Health Insurance Program. This waiting period applies to families who voluntarily drop private coverage and then apply to the Children’s Health Insurance Program. Analysis has shown that relatively few families encounter this rule, that there may be a deterrent effect for those seeking coverage for their children and that certain populations already experiencing disparate health outcomes are most likely to be those needing to drop expensive employer-sponsored coverage. Further, 36 states have also analyzed this issue and have elected to not have a waiting period, while Indiana’s currently has the longest waiting period allowed by federal rules. We recommend that the Office of Medicaid Policy and Planning eliminate the 90-day waiting period of the Children’s Health Insurance Program.

Background of Recommendation:

What is the need or problem, and how does it impact disparate populations?

The problem is the system complexity and potential deterrent effect of the 90-day waiting period for coverage through the Children’s Health Insurance Program. When coupled with other systemic barriers typically experienced by minority and low-income populations, system complexities and rules such as the 90-day waiting period are more likely to deter initial applications and reapplications. Both an initial application and reapplication would be necessary for those encountering the 90-day waiting period if they were not aware of it before submitting an initial application.

In relation to groups experiencing disparate health outcomes, the prevention of any gap in coverage is key to maintain a continuity of access to and use of healthcare resources. Gaps in coverage, especially with children, could result in missed opportunities for vaccinations, developmental screenings and early interventions, causing those items to become out of sync with recommendations, or perhaps not to happen at all. The 90-day waiting period forces a minimum 90-day gap in coverage, potentially made longer through reapplication attempts and the risk that parents become frustrated and do not attempt reapplication. Recent Census data shows that children in the income bracket that would make them eligible for coverage through Indiana's Children's Health Insurance Program are in fact among the most likely to be uninsured, despite the availability of this coverage program.

What data, research or other information did the recommender consult to formulate this proposal?

Data provided by the Office of Medicaid Policy and Planning regarding denial reasons for coverage under the Children's Health Insurance Program, U.S. Census data regarding uninsured children and adults, Indiana Youth Institute children's coverage data analysis, CDC Health Disparities and Inequities report, Georgetown Center for Children and Families CHIP data analysis.

What disproportionality did the data reveal?

While the relatively small amount of Hoosier children denied coverage under this rule makes it difficult to analyze disproportionality trends via granular data, poorly subsidized and expensive employer sponsored healthcare coverage is more common in minority and low-income populations. This increases the need to drop such coverage due to unaffordability. Additionally, well-documented disparate health outcomes among these same populations can only be exacerbated by the creation of unnecessary coverage gaps during childhood.

What is the current response to the problem by the State of Indiana?

During the COVID-19 Public Health Emergency, the state has ceased enforcement of the 90-day waiting period for the Children's Health Insurance Program. The State of Indiana also had their Children's Health Insurance Program Manager take a leadership role on the Task Force / Subcommittee making this recommendation.

What solution is the recommender proposing, and how does it affect disparate populations?

The proposal is for the Children's Health Insurance Program to end the 90-day waiting period for coverage. This would eliminate an unnecessary and harmful gap in coverage for CHIP-eligible children, who are by definition relatively low-income and are also disproportionately from minority racial and ethnic backgrounds (approximately at a 1.6 times rate for Hispanic children and 1.9 times rate for Black children). Reducing system complexity and eliminating the gap in coverage is likely to lead to more children receiving necessary health services, especially among high-barrier populations such as those noted above.

How does the solution address the disproportionality in the data?

Because of the small number of children affected, we did not have a sample size available to statistically analyze disproportionate impact of this specific policy or its solution. However, any solution that eliminates a cause of coverage

gaps for low-income children and those from racial and ethnic minority backgrounds can be realistically assumed to have a positive impact on reducing health disparities for those populations. This is especially true in the case of solutions that eliminate coverage gaps in children. Not only do such solutions ensure continuous access to care at a young age, but it also allows those children to receive education from medical professionals on healthy habits that will transition with them into adulthood.

Implementation:

Who is responsible for implementing the recommendation?

Office of Medicaid Policy and Planning - Children's Health Insurance Program

Has the recommendation been discussed with the implementer?

Yes No

What is the recommended timeframe for the Commission to review implementation?

6 months 12 months 18 months Other – Given the current workload and fiscal complexities faced by the Office of Medicaid Policy and Planning (OMPP), it is recommended that the implementation timeline be at the discretion of OMPP. Further we recommended that OMPP be allowed a fiscal analysis prior to implementation to assess fiscal viability and in respect of how fiscal variable might impact the implementation timeline.

If a legislative request, cite the current relevant code and specify what change is being recommended.

Current Indiana Code allows flexibility:

Indiana Code 12-17.6-4-4:

Powers of office; cost sharing and *crowd out* -

Sec. 4. The office may do the following:

(2) Determine waiting periods that may not exceed three (3) months and exceptions to the requirement of waiting periods for potential enrollees in the program.

If a policy request, cite the current relevant policy and specify what change is being recommended.

End the use of the 90-day waiting period enforced within the Children's Health Insurance Program, under the use of denial reason code 896/EL9104 - Voluntarily Dropped Creditable Health Insurance. This would involve striking the below Indiana Administrative Code reference or replacing it with:

An individual who was covered under a group health plan or under health insurance coverage as such terms are defined in 42 U.S.C. §300gg-91 will not be subject to a waiting period prior to CHIP eligibility.

Indiana Administrative Code 405 IAC 12-2-4:

Waiting periods for certain members -

(a) Except as provided in subsection (b), **an individual who was covered under a group health plan or under health insurance coverage as such terms are defined in 42 U.S.C. §300gg-91 is ineligible for CHIP for three (3) months from the effective date of termination of that coverage.**

If the recommendation involves an endorsement or public promotion of a specific initiative or statement, attach the document of which you are seeking the Commission's support/endorsement/promotion.

N/A